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Monday 11 August 1980

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CIA LATE ITEM

CHILE: Pinochet Announces Referendum

Chilean President Augusto Pinochet announced last night that a constitutional referendum will be held on ll September. The constitution, which is likely to be approved, will extend Pinochet's one-man rule for eight more years. It will preclude free elections for the presidency until 1997. The timing of the announcement reflects Pinochet's need to reassert his authority at a time of increasing terrorist violence from both right and left. The terms of the proposed constitution were immediately denounced as farcical by civilian opposition political parties.

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SITUATION REPORTS	
USSR-AFGHANISTAN	
Situation in Ghazni	
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units may be continuing in Ghazni,	
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IRAN

Ayatollah Khomeini strongly criticized the USSR again Saturday in a speech to representatives of 35 "liberation movements" currently meeting in Tehran. Khomeini labeled the Soviets a "big satanic power" for seeking to "suffocate Afghanistan" and for selling arms to Iraq for use against Iran. His comments could set the stage for reducing Iran's relations with Moscow

Tehran radio, in both domestic and Arabic-language broadcasts yesterday, asserted that Shia communities in eastern Saudi Arabia had demonstrated Friday in support of Ayatollah Khomeini's "Jerusalem Day" remarks. It claimed that many of those "freedom-loving" people were attacked and jailed in "the prisons of the Saudi family." Iranian media claim that similar demonstrations also occurred in Bahrain on Friday.

Education Minister Rajai will likely become Iran's prime minister today, as the Islamic Assembly is scheduled to vote on his nomination as forwarded by President Bani-Sadr. Once confirmed, his first task will be to assemble a new cabinet.

BRIEFS AND COMMENTS

ROMANIA: New Middle East Peace Initiative

Romanian President Ceausescu may be carrying a new peace initiative when he travels to the Middle East next week, but he probably will not garner much support from the region's major protagonists.

who visits Jordan from 1/ to 19 August and may also stop in Syria and Iraq-has been trying to line up support for a general Middle East peace conference to convene under Romanian sponsorship next year. Ceausescu has long advocated such a conference, attended by all interested parties including the Palestine Liberation Organization, the USSR, and the US, to discuss a "comprehensive settlement." Although Ceausescu's proposal has in the past generated only lukewarm support, he reportedly now has signals of interest

Bucharest last month, reportedly is enthusiastic about the proposed conference.

The major obstacles to the Romanian initiative would appear to come from Israel--which has already rebuffed similar Romanian proposals--and from hardline states like Libya and Iraq, which oppose any negotiations with Israel. Ceausescu probably is motivated less by an expectation of success than by the benefits he anticipates will accrue to Romania just from making the effort. He may hope that Romania's stature in the Arab world will rise, thus assuring greater access to Middle East oil, and reinforcing his independent foreign policy line.

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ARGENTINA: Support of Bolivian Junta
Argentine leaders appear determined to prop up the military regime in Bolivia, even at the risk of jeopardizing recent improvements in relations with the US.
President Videla has for the first time publicly expressed sympathy for the new ruling group led by General Garcia Meza and implied that Argentina would provide food aid and financial credits. These are the latest in a series of supportive actions taken by the Argentines
The Argentines
insist that their own national security
interests were directly threatened because a left-leaning
Bolivia might have become a safehaven for Argentine ter-
rorists. There is no evidence to support such a claim but it is consistent with Argentine apprehensions of
creeping Communist penetration of the Western hemisphere.
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Argentina's recognition of the new regime on 28 July was followed by the postponement of a visit to Buenos Aires by a high-ranking US official—a visit eagerly sought by the military government as a continuation of high-level bilateral meetings begun last January to promote better understanding and cooperation.

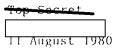
Although President Videla may send a personal emissary to Washington to discuss the Bolivian problem, there is little reason to expect the Argentines to show flexibility. Though there may be minor differences of opinion in the Argentine government hierarchy, those officers who count believe strongly that in Bolivia at present there is no civilian alternative to a rightwing military junta.

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ZIMBABWE: Status of Military Amalgamation

The process of combining elements of Zimbabwe's two guerrilla forces and the former Rhodesian Army appears to be stalled.

Current plans call for a four-brigade Army. Some battalions evidently will be little more than renamed Rhodesian units, while others will comprise former insurgents of the Zimbabwe African National Union and the Zimbabwe African People's Union. Only a single integrated battalion has been formed to date

The new force may include only 9,500 of the more than 43,000 guerrillas under arms at the time of independence. Former insurgents who are unfit or unwilling to serve are being demobilized. As of early July, only about 7,400 guerrillas had returned to civilian life, leaving more than 22,000 ZANU and some 13,000 ZAPU personnel still at assembly points.

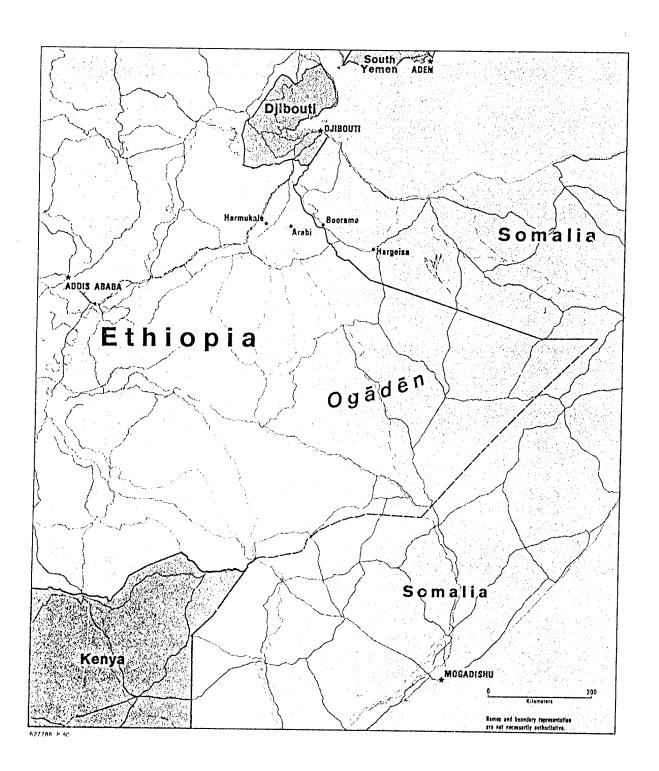
The resignation of Army Commander-in-Chief Walls is only the latest obstacle to amalgamation. Important decisions on the size and composition of the force, and naming of a commander continue to be hampered by suspicions and rivalries. Even such minor matters as devising common rules and regulations are complicated by distrust.

The cooperation, support, and leadership of white military personnel are essential, particularly in the near term. By late May, however, one-third of the white military officers and one-half of the senior white non-commissioned officers had already submitted retirement papers. Many of those still in uniform are not optimistic about the prospects for the new Army.



USSR: Disarmament Issues Discussed
A tour d'horizon of Moseow's arms control proposals signed by Soviet Foreign Minister Gromyko and appearing in the mid-July issue of the theoretical journal of the CPSU, Kommunist, crit- icines the West in general and the US in particular for alleged
procrastination with regard to arms control and disarmament.
In excerpts of the text broadcast by Moscow radio for three consecutive days beginning on 7 August, Gromyko charges that "the leaders of NATO and the US above all" are attempting to change the strategic balance to their advantage in order "to return the world to the days of power politics." According to Gromyko, the West's apprehension regarding Soviet military spending and the presence of "a limited Soviet military force" in Afghanistan is mere pretense serving as a convenient rationale for an accelerated Western arms buildup.
In recounting the experience gained in disarmament talks, Gromyko points out gloomily that "basically, nothing at all has been done to eliminate the material means of war." Nevertheless, he continues, "current agreements and treaties cut off some channels for the arms race, ban or limit individual weapons," and hinder "an unrestrained arms race."
Gromyko urges the implementation of SALT II and chides the US for its postponement and the resulting delay of SALT III talks. He cites US failure to ratify SALT II, the US-Soviet treaty on Underground Nuclear Explosions for Peaceful Purposes, and the US-Soviet treaty on limiting underground nuclear tests as "facts" which "erode the credibility of the US as a reliable partner."
In closing, Gromyko promises that the Soviet Union will continue to champion disarmament in the UN, but notes that because UN resolutions "are only in the nature of recommendations" Moscow favors "a forum that could

adopt really effective decisions which could be really binding on all nations" and suggests that "such a forum could be a world disarmament conference."



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been detected	,

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MOZAMBIQUE: Antiguerrilla Operations	
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The Mozambican military last month inflicted major casualties on units of the National Resistance Movement,	
a guerrilla group supported by South Africa.	
a guerrina group supported by South Africa.	
pespice the government's	
craim or a total victory, the movement probably will	
retain some ability to harass government forces and	
facilities and to broadcast propaganda from South	
Africa.	

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SPECIAL ANALYSIS
INTERNATIONAL: Non-Proliferation Treaty Review Conference
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The second conference to review the Non-Proliferation Treaty,
opening today in Teneva, will produce much contention over the superpowers' lack of progress on arms control and restrictions on
acquisition of peaceful nuclear technology.
Non-nuclear states will complain that the nuclear
powers have not made serious efforts to halt the arms race, and in particular that the superpowers have failed
to conclude a SALT treaty allowing them to make substan-
tial cuts in their nuclear arsenals. In this, they will
be repeating demands made at the first conference in
1975. Criticism of Washington for failing to ratify
SALT II could occur, although most states realize the impact of the invasion of Afghanistan.
i and any abatin of mighting can.
Nonaligned countries probably will be more strident
in their criticism of the US, UK, and USSR for not con-
cluding a Comprehensive Test Ban Treaty. Most nonaligned countries believe the problem is a matter of political
will, not of substance. Moscow has tried to deflect
criticism on this issue by siding with nonaligned nations
in their demandopposed by the US and UKfor multi-
lateral negotiations.
Developing states have long wanted a guarantee that
the nuclear powers will not use or threaten to use nuclear
weapons against them. They probably oppose the proposal
of the US that the final declaration of the conference
recognize as a step forward the individual promises of
nonuse by the five nuclear powers.
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## Nuclear Commerce and Safeguards

Developing nations will argue that their right under the treaty to peaceful nuclear technology is being limited by the restrictive policies of some nuclear suppliers. Tensions are running high over this issue because the mounting costs of dependence on imported oil make nuclear power a more attractive alternative. The US and Canada will take most of the heat because they have led the effort to tighten the rules governing nuclear trade. Some suppliers may side with the developing countries; several West European nations are unhappy with US efforts to impose new conditions on nuclear cooperation agreements.

Many developing nations party to the treaty have complained that suppliers impose more stringent safe-guards against treaty signatories than against non-signatories and thereby add to the dangers of proliferation. They also are chagrined that some suppliers sell nuclear technology under less rigorous safeguards to strengthen their political and commercial ties to some nonsignatories. Some developing states may also insist that the conference guarantee preferential access to nuclear technology to those nations willing to accept safeguards under the treaty.

Some developing nations will also raise the issue of the discriminatory character of the safeguards applied by the International Atomic Energy Agency. Of the three nuclear powers party to the treaty, the USSR is the most vulnerable on that score because it adamantly refuses to place any nuclear facilities under safeguards.

## Preconference Politics

Political maneuvering has focused on the selection of a president. Support for the West's candidate, a Swedish diplomat who presided over the first conference and was instrumental in producing the final declaration, has eroded. She is being challenged by Iraqi official Kettaneh, who was nominated by the Yugoslavs. Kettaneh

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lacks experience on proliferation issues, however, and his candidacy is especially troublesome because of his country's suspected ambitions to acquire nuclear weapons. Iraq probably would use the conference leadership post as a forum to defend the "peaceful" nature of its nuclear program and to attack Israel for not adhering to the Non-Proliferation Treaty.

The USSR and most Western states are unwilling to antagonize the developing nations by opposing Kettaneh, but the controversy could sour the atmosphere.

## Outlook

With an inexperienced official like Kettaneh as presiding officer, chances for a final declaration would not be good. Failure to reach consensus on a declaration would be widely interpreted as a loss of confidence in the treaty. Signatories with reservations about the treaty might be prompted to reconsider their participation, and some nonsignatories might be encouraged to push forward toward nuclear weapons. Despite contention over specific aspects of the treaty, most participants remain committed to the treaty as a whole. The most likely outcome is a bland declaration similar to the one in 1975, but the nonaligned members probably will issue separate, more strongly worded statements.

